

**PROCEEDINGS
OF
CITY COUNCIL
OF THE
CITY OF LOWELL
MONDAY, FEBRUARY 06, 2023, 7:00 P.M.**

1. **CALL TO ORDER; PLEDGE OF ALLEGIANCE; ROLL CALL.**

Mayor DeVore called the Meeting to order at 7:00 p.m. and City Clerk Sue Ullery called roll.

Present: Councilmembers Marty Chambers, Jim Salzwedel, Leah Groves, Cliff Yankovich, and Mayor DeVore.

Absent: None.

Present: City Clerk Sue Ullery, DPW Director Dan Czarnecki, City Manager Michael Burns, Chief of Police Chris Hurst, City Treasurer Sue Olin, L&P Charlie West, City Attorney Jessica Wood.

2. **APPROVAL OF THE CONSENT AGENDA.**

- Approval of the Agenda as written.
- Approve and place on file the minutes of the January 17, 2023 Regular City Council meeting.
- Authorize payment of invoices for \$1,089,794.40.

IT WAS MOVED BY GROVES and seconded by CHAMBERS to approve the consent agenda as written.

YES: Mayor Devore, Councilmember Salzwedel, Councilmember Chambers, and Councilmember Groves, and Councilmember Yankovich.

NO: None.

ABSENT: None.

MOTION CARRIED.

3. **CITIZEN COMMENTS FOR ITEMS NOT ON THE AGENDA.**

City Clerk Sue Ullery read into record a letter from JoAnne Miller who would like 990 N. Washington to become part of Scout Park and would like a new grocery store in Lowell instead of another weed shop.

City Clerk Sue Ullery read into record an email from James Pfaller who shared his memory of the “Scout Property” and felt there was misinformation shared at the last meeting.

4. **OLD BUSINESS**

a. Audit.

Peter Haefner, representing Vredeveld Haefner LLC, provided a report of the 2022 Audit for the City of Lowell with a PowerPoint presentation. Haefner’s presentation stated we have audited the accompanying financial statements of the governmental activities, the business type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Lowell, Michigan (the “City”), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the City’s basic financial statements as

listed in the table of contents. In their opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Lowell, Michigan, as of June 30, 2022, and the respective changes in the financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

b. Police Car Purchase.

Police Chief Chris Hurst read his memo relating the story leading up to a police car purchase.

IT WAS MOVED BY YANKOVICH and seconded by GROVES that the Lowell City Council approve the reallocation of funds to purchase the 2023 Hybrid Ford Interceptor for \$48,562, including \$390 for graphics, totaling \$48,952.

YES: Councilmember Salzwedel, Councilmember Yankovich, Councilmember Chambers, Councilmember Groves, and Mayor DeVore.

NO: None.

ABSENT: None.

MOTION CARRIED.

c. Parking Ordinance 23-02.

City Manager Michael Burns read his memo stating City Administration was directed to prepare a modification to our parking ordinance pertaining to overnight parking. As you are aware, from November 1 to April 1, overnight parking is prohibited unless a permit is issued by the Chief of Police. Included in the ordinance is the restriction of parking between 2 am to 6 am year round on Main Street from Hudson to Jefferson.

Councilmember Chambers questioned if this was doing away with the two hour parking limit.

City Attorney Jessica Wood explained we could approve the ordinance with a modification to remove the two hour parking as discussed.

IT WAS MOVED BY CHAMBERS and seconded by SALZWEDEL to approve the Parking Ordinance 23-02 to restrict parking in our municipal lots and on Main Street as presented with the modification to completely remove the two hour parking limit.

YES: Councilmember Yankovich, Councilmember Chambers, Councilmember Groves, Mayor DeVore, and Councilmember Salzwedel.

NO: None.

ABSENT: None.

MOTION CARRIED.

d. Police Cost Recovery Ordinance 23-03.

City Manager Michael Burns read his memo stating City Administration is presenting modifications to the current cost recovery ordinance. The City has had some unique incidents whereby we need to re-evaluate the need to issue cost recovery for issues facing our Police Department.

IT WAS MOVED BY CHAMBERS and seconded by GROVES that the Lowell City Council approve Ordinance 23-03 as presented.

YES: Councilmember Chambers, Councilmember Groves, Mayor DeVore, Councilmember Salzwedel, and Councilmember Yankovich.

NO: None.

ABSENT: None.

MOTION CARRIED.

e. Off Premises Tasting Room License.

City Manager Michael Burns read his memo stating in September 2022, the Lowell City Council approved Resolution 27-22 for Red Barn Consignment & Antiques to have an Off-Premises Tasting Room License. Upon submittal to the Michigan Liquor Control Commission, they were advised to switch the applicant form from Red Barn Consignments & Antiques, to Love Wines LLC. Resolution 03-23 corrects that issue.

IT WAS MOVED BY YANKOVICH and seconded by GROVES that the Lowell City Council approve Resolution 03-23 as presented.

YES: Councilmember Groves, Mayor DeVore, Councilmember Salzwedel, and Councilmember Yankovich.

NO: None. ABSENT: None. ABSTAINED: Councilmember Chambers. MOTION CARRIED.

f. Ownership Transfer of Lowell Showboat to Lowell Showboat VI.

City Manager Michael Burns read his memo and then City Attorney Jessica Wood explained the agreement.

Councilmember Salzwedel thanked all the Showboat Board members for attending the meeting.

IT WAS MOVED BY CHAMBERS and seconded by DEVORE that Lowell City Council transfer ownership of the Lowell Showboat to Lowell Showboat VI as presented.

YES: Mayor Devore, Councilmember Chambers, Councilmember Groves, and Councilmember Yankovich.

NO: None. ABSENT: None. ABSTAINED: Councilmember Salzwedel. MOTION CARRIED.

5. **NEW BUSINESS**

a. Fund Balance Payments.

City Manager Michael Burns read his memo stating after reviewing our audit for the prior fiscal year, we found that we had \$1.56 million in unassigned general fund balance. This is equivalent to 40% of general fund revenues. Our investment policy requires a minimum 15% of fund balance equivalent to general fund revenue. The City is in a fiscally sound financial position. For the past two years, we have made additional payments with excess fund balance to address local street improvements and made additional payments towards the unfunded pension liability. While we have intended to draw down the fund balance to approximately \$1.1 million, we have yet to draw it down because our budgeted expenditures, along with these additional payments, have been less than collected revenue. As a result, we generated an additional \$200k in fund balance this past fiscal year. A few years back, we also set aside an additional \$100k in fund balance to use for Ware Road that the City did not need to use. Burns would like to propose utilizing \$200,000 from the fund balance and put towards the unfunded

pension liability and an additional transfer to the Local Street fund. Burns recommends making a \$100,000 surplus pension payment to MERS and the remaining \$100,000 to the local street fund. This would allow us to add Shepard Drive to the road improvement list for the upcoming year.

IT WAS MOVED BY YANKOVICH and seconded by SALZWEDEL that the Lowell City Council approve expenditures from the unassigned fund balance in the amount of \$100,000 to the Local Street Fund and \$100,000 to the MERS Surplus account towards our unfunded pension liability.

YES: Councilmember Salzwedel, Councilmember Yankovich, Councilmember Chambers, Councilmember Groves, and Mayor DeVore.

NO: None.

ABSENT: None.

MOTION CARRIED.

b. Lowell Little League Park Use Agreement.

DPW Director Dan Czarnecki read his memo stating the Use Agreement with Lowell Little League is set to expire on March 31, 2023, and they have asked for an extension to the agreement.

IT WAS MOVED BY SALZWEDEL and GROVES that the Lowell City Council approve the Public Park Use Agreement with Lowell Little League for 2023-2025, at a fee of \$8/field/day (total \$5,200).

YES: Councilmember Yankovich, Councilmember Chambers, Councilmember Groves, Mayor DeVore, and Councilmember Salzwedel.

NO: None.

ABSENT: None.

MOTION CARRIED.

c. Bowes Road Tree Removal.

City Manager Michael Burns read his memo stating he believes we need to revisit our ordinances regarding tree removal and discuss the role of the Arbor Board.

Discussion was held regarding whether the Arbor Board is needed or whether the Parks and Rec Board could do the same things.

Perry Beachum who resides at 924 Riverside Drive stated that the City joined the Arbor Board because of work that the Lowell Light & Power was doing. It was for guidance. Just wants the City of Lowell to inform the residents and community of what it is doing with planting and removing trees, etc.

Burns believes it is a good idea to keep the comprehensive tree plan whether it be with Arbor Board or just the City of Lowell Parks and Rec Board.

General Manager of LL&P Charlie West expressed his concern on certain hotspots in the City where trees end up being issues for Lowell Light & Power and would like guidance and general strategies to adopt when it comes to trees. Also wants to consider the wishes and intentions of City Council, the residents and the community by addressing any issues holistically, get said trees to a maintenance point and not have to spend tax payer dollars or rate payers dollars to continue having to address specific problem trees.

Councilmember Salzwedel suggested we bring it to both boards to discuss and make a decision from

after we hear their input.

6. **BOARD/COMMISSION REPORTS.**

Councilmember Salzwedel reminded everyone the clock is ticking for the LCTV fund application deadline. February 10, 2023 at 5:00 pm. is the deadline.

7. **CITY MANAGERS REPORT.**

City Manager Michael Burns went over the following:

- Monroe Street bid should be ready hopefully this week or next. Waiting for approval from Washington D.C., then bids will go out and it will be a 30-day process. May have to call a special meeting for the bid process approval. We need this complete as soon as possible.
- We have paved 18 streets or segments of streets since 2020 (7 or 8 full replacements and the rest at least half or the areas of the street that we could address).
- The Northwest Pump Station is coming along, been working on that for a while. That project is near completion.
- Bids are out for 990 N. Washington; Regis is preparing a map of that area to explain it more thoroughly and I will share that with you when I get it back.
- Going to be asking people to stay off the ice on the damn. It is not safe to play on.
- Due diligence report for the Front street property is complete.
- Splashpad update will be at the next Council meeting.
- Dan has been working on the Fairgrounds figuring out who owns what buildings etc., still working on it.

8. **APPOINTMENTS.**

There are no changes.

9. **COUNCIL COMMENTS.**

Councilmember Yankovich is glad that we can add another \$100,000 to fund our pension liability.

Councilmember Salzwedel spoke about a complaint from a woman who attended Coffee with Council regarding the sidewalks and that it was handled after with a simple phone call. Also thanked the DPW for helping to tie down the Showboat that needed east and west wind support.

Councilmember Chambers thanked Perry Beachum for helping with snow removal. Also thanked LL&P for their help with a little project.

Councilmember Groves reminded everyone that Coffee with Council on Saturday is a good way to create community connection and solve problems together.

10. **ADJOURNMENT.**

IT WAS MOVED SALZWEDEL and seconded by CHAMBERS to adjourn @ 8:09 p.m.

DATE:

APPROVED:

Mike DeVore, Mayor

Sue Ullery, Lowell City Clerk